



CITY COUNCIL AGENDA ITEM

Date: September 17, 2013

To: Brian Kischnick, City Manager

From: MaryBeth Murz, Purchasing Manager
William S. Nelson, Fire Chief

Subject: Regular Business - Request for Waiver of Bid for Purchase of Fire Apparatus

History

The City of Troy Fire Department operates a heavy-duty rescue truck, housed at Station 4, which carries specialized rescue equipment that is not carried by Fire Department engines and ladders. The heavy-duty rescue truck responds all to extrication and rescue incidents as well as every structure fire. The current heavy-duty rescue is a 1996 Spartan-Darley truck that was originally purchased to serve as a hazmat response vehicle. With the consolidation of three local hazmat teams into one regional team, this truck was not required for hazmat service and was reassigned as a heavy rescue operated by Fire Station 4.

The current 1996 Spartan-Darley heavy-duty rescue is a unique vehicle which was designed with a rear mounted engine and is basically a motor home chassis that had been reinforced for fire apparatus use. This vehicle performed satisfactorily in the hazmat team role as it responded to a limited number of incidents, did not carry an extensive inventory of heavy equipment, and typically did not respond frequently under emergency conditions. As this vehicle has advanced in age and usage, significant issues have developed with regard to maintenance, equipment carrying capacity, and functionality.

In planning for a replacement vehicle, the Station 4 Fire Officers and Staff created a work group and reviewed several recent heavy-duty rescue vehicles delivered to Fire Departments in Michigan. The majority of these vehicles were manufactured by Pierce Manufacturing, Inc. and the work group found these units to be more functional and better constructed than the other units. Since Pierce has delivered the last five engines purchased by the City of Troy that are basically identical, the work group recommends that the replacement heavy-duty rescue be purchased from Pierce Manufacturing.

In conjunction with the Western Wayne County Consortium; The City of Troy Fire Department worked with other Fire Departments that are purchasing apparatus to develop a group purchase for multiple units. Currently, the total group purchase includes:

White Lake Township - 3 Pierce PUC pumpers
Livonia - 2 Pierce PUC pumpers
Canton Township – One 75 foot pumper ladder

The above listed entities are purchasing pumpers with the PUC (pump under cab) design. Pierce is the only manufacturer that can provide the patented PUC design. Because Troy has five PUC pumpers manufactured by Pierce Fire Apparatus, staff and the work group recommend that the heavy-duty rescue be purchased from Pierce for the following reasons:



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History (continued):

- The Pierce heavy-duty rescue trucks recently delivered in Michigan are more functional and better constructed.
- The cab design and operating controls for the heavy-duty rescue will be identical to the five (5) existing PUC pumpers which will facilitate operator training and skill maintenance.
- Many of the operational parts on the heavy-duty rescue will be the same as those on the five (5) existing PUC pumpers which will reduce the required parts inventory and simplify the required preventative maintenance to be performed.
- Pierce has a factory service center located in Wixom which is very convenient and provides timely warranty and technical support.

Due to the quantity of apparatus being purchased with the Western Wayne County Consortium; the following discounts, including a prepayment discount are included. The cost is detailed as follows:

Heavy-Duty Rescue cost:	\$567,620.00
Discount:	\$ 24,000.00
Consortium Discount:	\$ 15,000.00
Prepayment discount:	<u>\$ 20,273.00</u>
Total Cost:	<u>\$508,347.00</u>

Purchasing

The only authorized Pierce Manufacturing local distributor is Halt Fire Apparatus. Based on the research and analysis of the work group and in an effort to maintain standardization of the fire vehicles it is recommended to waive the bid process and purchase the above described equipment from Halt Fire Apparatus in cooperation with the Western Wayne County Consortium pricing.

Financial

Funds are budgeted in the Fire Department Capital Budget for the Heavy-Duty Rescue.

Recommendation

City management recommends that the bid process be waived and a contract be awarded to the sole Pierce Manufacturing local area Distributor; Halt Fire Apparatus of Wixom, MI, for one Heavy-Duty Rescue apparatus for an estimated total cost of \$508,347.00 utilizing the Western Wayne County Consortium pricing and the up-front payment discount option; which also includes a 100% Performance Bond which shall guarantee satisfactory delivery.



HALT FIRE
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They Deserve The Best

September 12, 2013

City of Troy Fire Department
500 West Big Beaver Road
Troy, MI 48084

Subject: Pierce Saber Heavy-Duty Rescue

Dear Chief Nelson:

Per your request, the following is pricing and terms for a Pierce Saber Heavy-Duty Rescue. This is based on a tag-on order to the Western Wayne County bid consortium that was recently advertised on MITN. The other members of the Western Wayne County consortium are the City of Livonia, Canton Township and White Lake Township.

The price for this tag on rescue opportunity will be \$528,620.00. This is based on a concession of \$24,000.00 with an additional discount of \$15,000.00 if the City of Troy tags on to the group bid consortium.

This price includes the following:

- Two (2) inspection trips (post paint and final)
- Delivery of the unit to Halt Fire
- Complete a post delivery inspection by Halt Fire
- Operational training by Halt Fire (Jim Lee)
- A complete set of progress pictures during production

50168 W. Pontiac Trail • Unit 5
Wixom, MI 48393

Office: 248.669.0800
Facsimile: 248.669.8120



Price	\$567,620.00
Concession	-\$24,000.00
Subtotal	\$543,620.00
Group tag-on	-\$15,000.00
Total	\$528,620.00



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If the city decided to do a 100% upfront prepayment with a signed purchase order made out to Pierce Manufacturing, then an additional \$13,393.00 in interest savings and \$6,880.00 in chassis handling costs could also be deducted.

Group bid price	\$528,620.00
Interest Disc.	-\$13,393.00
<u>Chassis disc</u>	<u>-\$6,880.00</u>
Total	\$508,347.00


We also have provided a performance bond if you decide to take advantage of the pre-payment option.

The current build time for a new truck is 9.5 to 10.5 months after receipt of order.

The price as quoted above is good for 30 days from the date on the quote.

If you have any questions, please do not hesitate to call.

Sincerely,



Todd L. Lincoln, President

Halt Fire, Inc.

50168 W. Pontiac Trail • Unit 5
Wixom, MI 48393

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